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## FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 10.14.2010

Wall Street Journal: "Document Mess Hits Fannie, Freddie ... Raising questions for the first time about the role of Fannie Mae and Freddie Mac in the unfolding mortgage-foreclosure crisis, the two government-owned giants are reviewing the work of a Florida law firm they recommended to process foreclosures."

Wall Street Journal: "Singapore Tightens Monetary Policy; Currency Soars ... Singapore tightened monetary policy in a surprise move Thursday, saying it will guide its currency higher at a "slightly" faster pace in a bid to contain inflation as capital inflows into Asia stoke price pressures in the city-state."

Wall Street Journal: "Rattner Near Deal to Settle SEC Case ... Steven Rattner, the Wall Street financier and Democratic donor who oversaw the Obama administration's auto-industry restructuring, is finalizing a deal with the Securities and Exchange Commission staff to resolve his role in a "pay to play" scandal involving New York state's public pension fund, people familiar with the matter said Wednesday."

Wall Street Journal: "SEC Cleared in Goldman Case ... An internal watchdog cleared the Securities and Exchange Commission of improper conduct in its fraud lawsuit against Goldman Sachs Group Inc., saying there was no evidence the suit's timing was politically motivated."

Washington Post: "Lack of proper mortgage paper trail could leave big banks reeling again ... The federal government's pressure on lenders Wednesday to fix the paperwork problems plaguing foreclosures left unaddressed a far greater potential threat facing the financial system and the U.S. economy."

Washington Post: "U.S. presses mortgage lenders to fix documents, but foreclosures can continue ... Federal regulators sought Wednesday to prevent the growing furor over improper foreclosures from escalating, pressing mortgage lenders to replace flawed and fraudulent court documents while insisting that foreclosures continue apace."

Washington Post: "Banks seize 288K homes in Q3, but challenges await ... Lenders seized more U.S. homes this summer than in any three-month stretch since the housing market began to bust in 2006. But many of the foreclosures may be challenged in court later because of allegations that banks evicted people without reading the documents."

Washington Post: "Financier Is Said to Accept a Ban in Pension Case ... Steven Rattner, who oversaw the Obama administration's overhaul of the auto industry, for months resisted a settlement with regulators over his role in New York pension fund kickbacks because he did not want to be banned from the securities industry."

Washington Post: "Panel: Much of financial bailout work contracted out, shielded from public view ... The Treasury Department has relied extensively on outside contractors in its execution of the financial bailout, an oversight committee said in a new report, shielding much of the work of the massive government effort from public view."

Washington Post: "Goldman gets 38% right as No. 1 firm rating financial companies ... It's been a rough three years for banks, securities firms and insurers -- even rougher for the analysts whose job it is to predict how the stocks of these firms will perform, Bloomberg Markets reports in its November issue."

Washington Post: "Foreclosure Fiasco's Trail Leads to Washington: Jonathan Weil ... What were banking regulators doing while some of the biggest U.S. lenders routinely filed false foreclosure documents in local courthouses around the

country? In the case of IndyMac Federal Bank, it turns out the Federal Deposit Insurance Corp. was running the joint."

NY Times: "Bankers Ignored Signs of Trouble on Foreclosures ... At JPMorgan Chase & Company, they were derided as "Burger King kids" - walk-in hires who were so inexperienced they barely knew what a mortgage was."

NY Times: "Chase Acts to Broaden Foreclosure Reviews ... As the uproar over questionable conduct by mortgage lenders intensified Wednesday, one of the nation's largest banks distanced itself from a controversial, industry-owned registration system that oversees millions of home loans."

NY Times: "UBS Declines Legal Action Over Subprime Losses ... The Swiss bank UBS said Thursday that it will not take legal action against former executives and board members for the huge losses suffered during the U.S. subprime crisis that forced a bailout of the company."

NY Times: "The Next Bubble ... It seems premature to start worrying about the next financial crisis. Yet amid the current gloom, Wall Street is snapping up assets of the "emerging economies" that are growing faster and offer higher, more consistent returns."

LA Times: "Wall Street feeling some of Main Street's economic woes ... For a while, Wall Street seemed impervious to the economic woes clobbering Main Street, with bank profits, bonuses and share prices rebounding sharply."

USA Today: "U.S. proposes caps in derivatives markets ... Federal regulators on Wednesday proposed to cap the stake that banks and other market players can own in exchanges where the complex investments blamed for hastening the financial crisis are traded."

Washington Times: "Obama choice helped Fannie block oversight ... Years before Fannie Mae foundered amid a massive accounting scandal, President Obama's choice for national security adviser oversaw an office inside the mortgage giant that orchestrated a negative publicity blitz to fight attempts by Congress to increase government oversight, records show."

The Hill: "Report: Fannie, Freddie paid to help run TARP ... The Treasury Department has paid \$437 million to Fannie Mae, Freddie Mac and private contractors to help run the Wall Street bailout program, a congressional oversight panel said in a report Thursday."

The Hill: "Key Democrat accuses banks of 'fraud' in home foreclosure controversy ... A key Democrat accused banks of 'fraud' in the emerging controversy over whether foreclosures have been properly administered."